



U.S. Department  
of Transportation  
Federal Aviation  
Administration

# Memorandum

Subject: **ACTION:** Establishment and Use of Cost Centers

Date: AUG 12 2002

From: Assistant Administrator for Financial Services and  
Chief Financial Officer

Reply to  
Attn. of:

To: Management Board

To properly track financial and other administrative information by organization, FAA policy mandates the use of cost centers to identify an organization. Over the past several years, FAA organizations have used the cost center as a way to identify a project or a program. Although this met office-specific needs to track costs by project, it created work-around solutions for new systems like the FAA Cost Accounting System. With the upcoming implementation in November 2002 of the new DOT financial management system, DELPHI, we will now have the added capability to track costs by project code. This allows us to maintain the integrity of the cost center code.

To assure good quality financial information, we must strictly enforce the use of cost center codes to represent only organizations. Existing cost center codes that really represent projects will be transferred into DELPHI intact. These cost centers will be grandfathered into the new system. We request your assistance in complying with this policy so that we may deliver you the best quality financial information.

The Standards and Information Division, APF-100, maintains the FAA documentation on agency organization and helps organizations in assigning, developing, and maintaining cost centers. For all Washington Headquarters organizations, as well as divisions and above in Regions and Centers, you must work with APF-100 to request changes or additions to cost center codes. Please notify us well in advance of any planned organizational changes so that we may be as responsive as possible to you as customers.

If you have any questions, please contact Pat Carter, APF-100, at (202) 267-9946.

Chris Bertram

Ack-1/30